

**REMARKS**

In response to the Non Final Office Action dated May 26, 2009 and in accordance with the discussion with the Examiner during the October 13, 2009 phone interview, Applicants respectfully request reconsideration of the instant application in the view of the foregoing amendments and the following remarks. Claims 1-34 are *pending* and Claim 35 is *withdrawn*. Claims 1, 16, and 21 are *independent*. Claims 1-4, 9-12, 14-16, 18-19 and 21 have been *amended*. Although these claims have been amended herein to provide clarification, correct typographical inaccuracies and/or informalities, and/or to better track practical/commercial implementations/practices, Applicants submit that the originally filed claims are patentable and reserve the right to pursue the originally filed claim (as well as any claims dependent therefrom) at a later time and/or in one or more continuation application(s). Applicants submit that these claim amendments are supported throughout the originally filed specification and that no new matter has been added by way of these amendments.

Applicants thank the Examiner for taking the time to discuss the pending rejections, the Examiner's cited references and the claims. Applicants have amended the claims based on the discussion to further clarify aspects of the claims.

**Claim Rejections - 35 U.S.C. § 101**

The Office Action has rejected claims 1-20 under 35 U.S.C. § 101 as directed to non-statutory subject matter. Applicants respectfully traverse this rejection. Applicants submit that there is no test for non-statutory subject matter that subjectively precludes the aforementioned claims. MPEP §2106, Section IV, states "claims directed to nothing more than abstract ideas (such as mathematical algorithms), natural phenomena, and laws of nature are not eligible for patent protection." MPEP §2106 also discusses "[w]hile abstract ideas, natural phenomena, and laws of nature are not eligible for

patenting, methods and products employing abstract ideas, natural phenomena, and laws of nature to perform a real-world function may well be.”

Applicants submit that the elements recited in the claims are, in fact, directed to statutory subject matter and do not fall within the recognized Judicial Exceptions as merely abstract ideas (such as mathematical algorithms), natural phenomena, and/or laws of nature. Though Applicants respectfully traverse the Examiner’s rejection and reserves the right to argue patentability of the claims in their original form at a later time, Applicants have amended independent claims 1 and 16 to provide clarification and/or to better track business practices. Claims 1 and 16 recite a “computer system implemented method . . .” Moreover, amended claim 1 recites, *inter alia*, “receiving via a computer system . . .”, “retrieving via the computer system . . .”, “processing via the computer system . . .” and applying via the computer system . . .” And amended claim 16 recites, *inter alia*, “receiving via the computer system . . .”, “retrieving via the computer system . . .”, “generating via the computer system . . .”, and comparing via the computer system . . .” Applicants submit claims 2-15, and 17-20, which depend directly or indirectly from independent claims 1 or 16, are directed to statutory subject matter for at least the reasons discussed above. Should the Examiner maintain the rejection, Applicants respectfully request that the Examiner provide clarification and specific explanation describing how claims 1-20 are allegedly directed to non statutory subject matter.

Accordingly, for at least these reasons, Applicants submit that claims 1-20 are directed to statutory subject matter and withdrawal of this ground of rejections is requested.

**Claim Rejections - 35 U.S.C. § 103**

The Examiner has rejected claims 1, 2 and 21 under 35 U.S.C. § 103(a) as allegedly being unpatentable over Cwenar (US 5,893,079; hereinafter, “Cwenar”) in view of Rhonda Bissig (“Merrill,

ex-broker hit with multi-million dollar lawsuit in N.H.,” Rhonda Bissig, Wall Street Letter, New York: Feb. 7, 2000, Vol. 32, Iss. 6, pp. 1-2; hereinafter, “Bissig”). The Examiner has also rejected claims 3-15 and 22-34 under 35 U.S.C. § 103(a) as allegedly being unpatentable over Cwenar in view of Bissig and in further view of alleged “Applicant’s Admitted Prior Art (APA).” The Examiner has also rejected claim 16 and 21 under 35 U.S.C. § 103(a) as allegedly being unpatentable over Cwenar in view of Bissig and in further view of Beale (WO 98/59307; hereinafter, “Beale”). The Examiner has also rejected claims 17-20 and 22-34 under 35 U.S.C. § 103(a) as allegedly being unpatentable over Cwenar in view of Bissig, Beale, and in further view of alleged APA. Although Applicants respectfully traverse the Examiner’s rejections, Applicants have amended independent claims 1, 16 and 21 in accordance with the discussion with the Examiner during the October 13, 2009 phone interview and to provide further clarification, correct typographical inaccuracies and/or informalities, and/or to better track practical/commercial implementations/practices.

MPEP § 706.02(j) prescribes that a rejection under 35 U.S.C. § 103 should set forth:

- (i) the relevant teachings of the prior art relied upon,
- (ii) the differences in the claim over the applied references,
- (iii) the proposed modification of the applied references to arrive at the claimed subject matter, and
- (iv) an explanation as to why the claimed invention would have been obvious to one of ordinary skill in the art at the time the invention was made.

Specifically, Applicant submits that the Examiner has failed to establish these requirements setting forth the relevant teachings of the prior art and the differences in the claimed language over the applied references with regards to independent claims 1, 16 and 21 and dependent claims 3-15, 17-20 and 22-34.

Amended independent claim 1 recites, inter alia:

A computer system implemented method . . .

querying via a dynamically updated compliance rules engine a list server to retrieve restrictions associated with the particular instrument from a collection of restrictions

retrieving via the computer system a compliance rule set by the dynamically updated compliance rules engine, connected to one or more databases containing the associated party's profile information;

processing via the computer system the retrieved rule set to determine at least one applicable compliance rule selected based on the party's profile information, the profile reflecting at least the relationship between the associated party and the entity. . . .

Applicant submits that the references cited by the Examiner (Cwenar and Bissig) do not discuss or render obvious at least the claim elements from amended independent claim 1.

In the pending rejection, the Examiner alleges that "Cwenar discloses . . . accessing a compliance rule set identifying at least one compliance rule (rules) selected in accordance with a profile associated with the party" at "col. 2 lines 41-51, col. 10 lines 23-35, col. 13 lines 3-9." (May 26, 2009 Office Action, p. 5). More specifically the Examiner states:

col. 10 . . . reads ' . . . users to access the central database 101 simultaneously and enters inquiries (request) and receive all data permitted within **whatever rules** (co. 13 'if a propose [sic] prospectus is in compliance with legal rules and preference rules.' - the rules have to be compliance rules); col. 2 group of rules. . . .

(May 26, 2009 Office Action, p. 5) (emphasis in original).

In contrast to the Examiner's characterization of Cwenar, Applicants submit Cwenar discusses whether a proposed transaction complies with limitations placed upon the contents of a given mutual fund portfolio. (Cwenar 11:49-58). Cwenar discusses two different independent set of rules. Cwenar states, "in compliance evaluations, such as with a mutual fund, the computer will be presented with a proposed transaction . . . and by comparison of the information regarding the proposed transaction . . . and the rules and, the portfolio, [Cwenar's system] will make a determination as to whether the transaction violates any of the rules." (Cwenar 11:49-58). Moreover, the "rules" discussed in Cwenar

in Columns 10 are database access rules —“These external user interface means . . . permit users to access the central database 101 simultaneously and enter all inquiries and receive all data permitted within whatever [access] rules have been established with respect to a specific user.” (Cwenar 10:26-31). These rules in Cwenar regulate the databases access associated with specific users and are independent from the “legal rules and preference rules” that are discussed in the cited portion of col. 13. In col. 13, Cwenar discusses, “The compliance system may also be employed to determine if a proposed prospectus is in compliance with legal rules and preference rules.” (Cwenar 13:3-5). Applicants submit that Cwenar’s column 10 database access rules or the rules discussed in column 13 are different from the claims. Applicants submit that Cwenar’s database access rules or legal/preference rules are different from the claimed “processing via the computer system the retrieved rule set to determine at least one applicable compliance rule selected based on the party’s profile information, the profile reflecting at least the relationship between the associated party and the entity,” as recited in amended independent claim 1.

Moreover, Applicants respectfully submit that Bissig’s discussion of an ex-broker hit with a lawsuit does not remedy at least this deficiency in Cwenar with regard to amended independent claim 1. Accordingly, Applicant submits that independent claim 1 is patentably distinct from the cited references taken alone or in combination and respectfully request withdrawal of the rejection. Should the Examiner disagree, Applicants respectfully request that the Examiner *specifically* indicate where the cited references discuss the claim element, taken as a whole, as required, *inter alia*, by MPEP § 2106 (II)(C) and 2141.02(1).

Although of different scope than claim 1, Applicant submits that claim 21 is patentable for at least similar reasons to those discussed above with regard to independent claim 1. For example, claim 21 recites, *inter alia*:

...

retrieve a compliance rule set identifying at least one compliance rule selected in accordance with a profile associated with the party, the profile reflecting at least the relationship between the party and the entity. . . .

Applicant respectfully submits that at least this claim element from independent claim 21 is patentably distinct from the cited references taken alone or in combination for at least the reasons as discussed above.

Applicant also notes that dependent claims 2-15 and 22-34 are dependent on independent claims 1 and 21 respectively and are believed patentable for at least similar reasons to the deficiencies identified in Cwenar/Bissig discussed above with regard to independent claims 1 and 21. Accordingly Applicant's submit that dependent claims 2-15 and 22-34 are patentably distinct from the cited references taken alone or in combination.

Applicant further submits that the Examiner has failed to set forth the relevant teachings of the prior art and the differences in the claimed language over the applied references with regards to independent claim 16. Although of different scope than claim 1, Applicant submits that claim 16 is patentable for at least similar reasons to those discussed above with regard to independent claim 1. For example, claim 16 recites, *inter alia*:

A computer implemented method . . .

querying via a dynamically updated compliance rules engine a list server to retrieve transaction restrictions associated with a particular instrument from a collection of restrictions;

retrieving via the computer system a profile associated with the party, the profile reflecting at least the relationship between the associated party and the entity;

...

comparing via the computer system at least a portion of the rules in the compliance rule set in order of the associated rule priorities using the

retrieved restrictions to determine if the transaction request complies with the restrictions. . . .

Applicant respectfully submits that at least the claim elements from amended independent claim 16 are patentably distinct from the cited references taken alone or in combination for at least the reasons as discussed above with regards to amended independent claim 1.

Moreover, Applicants respectfully submit that Beale's discussion of the generation of compliance rules does not remedy at least these deficiencies in Cwenar and/or Bissig discussed above. Accordingly, Applicant submits that independent claim 16 is patentably distinct from the cited references taken alone or in combination and respectfully request withdrawal of the rejection. Should the Examiner disagree, Applicants respectfully request that the Examiner *specifically* indicate where the cited references discuss the claim element, taken as a whole, as required, *inter alia*, by MPEP § 2106 (II)(C) and 2141.02(1).

Moreover, the Examiner has failed to address one of the claim limitations above, specifically "comparing via the computer system at least a portion of the rules in the compliance rule set *in order of the associated rule priorities* using the retrieved restrictions to determine if the transaction request complies with the restrictions." The MPEP prescribes that, "when evaluating the scope of a claim, *every limitation in the claim must be considered*," [§ 2106 II(C), emphasis added] and, "*All words* in a claim must be considered in judging the patentability of that claim against the prior art." [§ 2143.03, emphasis added]. Because the pending rejection has failed to address a substantive claim element, Applicant submits that a *prima facie* case of obviousness has not been established. Further, Applicant submits that the cited references (Cwenar/Bissig/Beale) do not discuss or render obvious at least the claim element "comparing

via the computer system at least a portion of the rules in the compliance rule set *in order of the associated rule priorities*" discussed above, and as such, Applicant respectfully requests reconsideration and withdrawal of this basis of rejection. Should the Examiner maintain the rejection, Applicant respectfully requests that the Examiner provide specific citations and explanations describing how each and every element of the pending claims are allegedly anticipated by the cited reference, providing indications of specific, alleged correspondences between claim elements and cited portions of the applied reference.

Applicant also notes that dependent claims 17-20, which depend from independent claim 16 are believed patentable for at least similar reasons to the deficiencies identified in Cwenar/Bissig/Beale with regard to independent claim 16. Accordingly Applicant submits that dependent claims 17-20 are patentably distinct from the cited references taken alone or in combination.

As such, Applicant submits that at least these deficiencies demonstrate the Examiner's failure to establish the relevant teachings and differences in these independent and dependant claims over the applied references, and consequently the Examiner's failure to establish a proper *prima facie* case of obviousness for any of the rejections in the pending Office Action. Accordingly, Applicant respectfully requests withdrawal of these rejections and allowance of the pending claims.

### **Conclusion**

Consequently, the reference(s) cited by the office action do not result in the claimed invention, there was/is no motivation, basis and/or rationale for such a combination of references (i.e., cited references do not teach, read on, suggest, or result in the claimed invention(s)), and the claimed inventions are not admitted to be prior art. Thus, the Applicant respectfully submits that the supporting remarks and claimed inventions, claims 1-34, all: overcome all rejections and/or objections as noted in

the office action, are patentable over and discriminated from the cited reference(s), and are in a condition for allowance. Furthermore, Applicant believes that the above remarks, which distinguish the claims over the cited reference(s), pertained only to noted claim element portions. These remarks are believed to be sufficient to overcome the prior art. While many other claim elements and/or bases for rejection were not discussed as they have been rendered moot based on the above amendments and/or remarks, Applicant asserts that all such remaining and not discussed claim elements and/or bases for rejection, all, also are distinguished over the prior art and reserves the opportunity to more particularly traverse, remark and distinguish over any such remaining claim elements and/or bases for rejection at a later time should it become necessary. Further, any remarks that were made in response to an Office Action objection and/or rejection as to any one claim element, and which may have been re-asserted as applying to another Office Action objection and/or rejection as to any other claim element(s), any such re-assertion of remarks is not meant to imply that there is commonality about the structure, functionality, means, operation, and/or scope of any of the claim elements, and no such commonality is admitted as a consequence of any such re-assertion of remarks. As such, Applicant does not concede that any claim elements have been anticipated and/or rendered obvious by any of the cited reference(s). Accordingly, Applicant respectfully requests reconsideration and withdrawal of the rejection(s) and/or objection(s), and allowance of all claims.